

Mutual Broadcasting System

by **James Snyder**

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The Mutual Broadcasting System was a radio network based in the USA from 1934 to 1999.

The inspiration for Mutual was the Quality Network, founded in 1929 with four radio stations: WLS in Chicago, Illinois; WOR in New York City; WLW in Cincinnati, Ohio; and WXYZ in Detroit, Michigan . The Quality Network operated for about 6 months only in 1929, and failed due to technical and funding problems. Some of those same problems would haunt Mutual for much of its first two decades.

The Mutual Broadcasting System, Incorporated was incorporated in 1934 as a cooperative venture between WOR New York, WGN Chicago, WLW Cincinnati and WXYZ Detroit. The unique aspect of Mutual was that it was true to its name: it was a completely cooperative venture between the parent companies of the radio stations who produced and shared the programming on the network.

Mutual's original owners were the Louis Bamberger & Company (WOR New York), the Continental Broadcasting Company division of the Chicago Tribune (WGN Chicago), the Crosely Radio Company (WLW Cincinnati) and King-Trendle Broadcasting (WXYZ Detroit). Each held an equal percentage of the shares in The Mutual Broadcasting System, Inc.

The idea of a radio programming service operated cooperatively where all of the affiliates shared in the costs of the network (phone line rental costs for transmission of the audio, programming and promotional costs for the network) had been proposed by several groups in the 1920s . WOR and WGN had attempted such an arrangement in 1929 with the Quality Network . The effort failed, however, and the original Quality Network stopped functioning by September of 1929.

Some writers consider The Quality Network to be the direct predecessor of Mutual, but the two were different companies with only partially similar ownership and should be considered as separate entities. The Quality Network ceased its existence almost 5 years before Mutual was founded.

There was at least one other Quality Network during this period, the Texas Quality Network. No direct connection evident between The Quality Network and the Texas Quality Network.

By the 1940s Mutual had more stations than any other radio network, but usually trailed 3rd or 4th in number of listeners and in advertising revenue. The most popular Mutual shows were The Lone Ranger ,Lum and Abner ,The Green Hornet , and The Shadow .

Mutual also lured Amos & Andy to their network from CBS for the 1936 season.

By the 1940s King-Trendle (WXYZ) and WGN Continental Broadcasting had sold their shares in Mutual. Added to the mix were Thomas S. Lee Enterprises d/b/a The Don Lee Broadcasting System on the west coast (where the network was known as "The Don Lee/Mutual Broadcasting System" on the air) and its network of owned and affiliated stations holding a 25% share in Mutual; and another 25% held by The Yankee Network division of the General Tire & Rubber Company and owning several stations in New England (including WNAC Boston). WOR served as the corporate headquarters and east coast network operations center for Mutual at its studios at 1440 Broadway in New York City, and Don Lee's Los Angeles station KHJ served as the west coast network center for programming coming out of Hollywood.

As television began its rise there was a short flirtation with the stations owning Mutual to start a Mutual Television network. Bamberger Broadcasting's WOR-TV New York and WOIC(TV) both had letterhead printed with "Mutual Television" as one of the subheadings, but there is no evidence that a cooperative television service was actually initiated.

In 1950 the R.H. Macy Company (operator of the Macy's Department Stores), which had purchased the L. Bamberger & Company department stores and its Bamberger Broadcasting Service division after Louis Bamberger's death in 1929, decided it did not wish to own a broadcasting service and sold WOR, its share in Mutual, WOR-FM and the licenses for WOR-TV and WOIC(TV) Washington, DC to Thomas S. Lee Enterprises d/b/a The Don Lee Broadcasting System. The name of the merged company was changed to General Teleradio, Inc.

However, Thomas S. Lee (the son of the original Don Lee who had died in 1936) had died in 1948. The executors of Mr. Lee's estate tried to keep the company together, but finally decided to liquidate the broadcasting company and sold most of the stations, the west coast radio network, the 50% share of Mutual (25% from Don Lee, 25% from Bamberger Broadcasting) and the Hollywood programming production center to General Tire and Rubber Company in 1952. The appropriately-named (by coincidence) General Teleradio, Inc. became a wholly-owned subsidiary of General Tire.

Since General Tire already owned 25% of Mutual through The Yankee Network division, Mutual essentially became a subsidiary of General Tire's broadcasting division, General Teleradio, when Yankee was merged into General Teleradio. This is the point where the "mutual" concept of Mutual Broadcasting ceased to exist. Since it was now majority-owned by one company, the network was restructured into a traditional radio network: the company would own and produce the programs while paying all distribution costs and the affiliated stations would pay for programming. The primary network operations center would remain at WOR in New York until Mutual was sold.

General Teleradio was renamed RKO General in 1958 after the acquisition of RKO Radio Pictures from Howard Hughes in 1955 for \$25 million. General Tire sold the film

studio production facilities to Desilu Productions for \$6 million in 1956.

For reasons that are not clear, General Tire decided to sell Mutual. This would not end General's radio networking business, since The Yankee Network continued to broadcast until 1967, but apparently Mutual did not fit into their plans for General Teleradio. Mutual was sold to Dr. Armand Hammar, then Hal Roach Studios. During this time Alexander Guterma became the president of Mutual. He was involved in a deal with the Dominican Republic in which he promised the network would broadcast favorable propaganda for that country. It was never proven the network actually did. Guterma was indicted and the network was floundering. It was quickly sold to John Mc Carthy, a Florida businessman. He put it through bankruptcy. Mutual commentator Robert F. Hurley became the president and finally found a buyer, the 3M company who purchased it in about 1960. About 1963 it was sold to a privately held company headed by John P. Fraim. Amway bought the network on September 30, 1977.

Amway would attempt to run Mutual more like a traditional radio network, even going so far as purchasing WCFL-AM 1000 Chicago in 1979 from the Chicago Federation of Labor to serve as Mutual's flagship station. The effort didn't pan out because of changes during the 1980s in radio program production, distribution, and ownership.

Mutual did mark several achievements in its post-cooperative era. They were the first radio network to program specifically to a minority group with the Mutual Black Network in 1968. They were the first commercial radio network to convert completely to satellite transmission starting in 1979. They were the first network to transmit regular stereo high-fidelity broadcasts such as the National Symphony Orchestra concerts in 1982.

Mutual was purchased by Westwood One in 1985 and continued to operate Mutual as a separate network program service into the 1990s. However, beginning with Westwood One's acquisition first by Infinity Radio in 1994 and then Infinity Radio's merger with CBS/Viacom soon afterwards, Mutual ended up simply being a brand name for programming provided by Westwood One. The top-of-the-hour newscasts were written and read by CBS Radio News reporters and anchors in Mutual's final years. Westwood One discontinued using the Mutual name in favor of CNN radio in 1999 and the Mutual name passed permanently from use on the air. At the same time the Mutual Broadcasting System network operations center in the Crystal City section of Arlington, Virginia was disassembled and sent to Infinity Radio's operations center in New York City.